



**Washington State
Health Care Authority**
Medicaid Purchasing Administration
2011-2013 Biennium Budget
Dollars in Thousands

Descriptions of Policy Level Items		2011-2013 Biennium				
		FTE	State	Federal	Other	Total
Prior Authorization - Advanced Imaging	Reduce 20% of expenditures for AIM technologies by increasing medical necessity review these procedures on July 1, 2011	6.0	(\$2,235)	(\$1,893)	\$0	(\$4,128)
Prior Authorization Surgical Procedures	Reduce 20% of expenditures for selected orthopedic, spinal and nerve surgeries by increasing medical necessity review and prior authorization for these procedures on July 1, 2011.	0.5	(\$1,469)	(\$1,495)	(\$133)	(\$3,097)
Emergency Room Utilization	Effective July 1, 2011, limit to 3 non-emergent visits per client per year.	0.0	(\$32,960)	(\$35,406)	(\$3,355)	(\$71,721)
Medication Practice Improvement	Partner with community mental health centers, prescribers of adult anti-psychotic medications and public schools of medicines and pharmacy to improve prescriptive practice and adherence with regard to the safe and effective use of antipsychotic and other medications used in the treatment of serious mental illness on July 1, 2011.	0.0	(\$3,060)	(\$2,199)	\$300	(\$4,959)
Cesarean Section Births	Reduce medicaid C-section births by 20% and lower birth and post-partum costs while improving birth outcomes on July 1, 2011.	0.0	(\$715)	(\$772)	(\$101)	(\$1,588)
Hospital Inpatient	Reduce rates by 8% on July 1, 2011.	0.0	(\$83,835)	(\$83,890)	\$0	(\$167,725)
Hospital Outpatient	Reduce rates by 7% on July 1, 2011.	0.0	(\$26,639)	(\$26,674)	\$0	(\$53,313)
Wheelchairs Selective Contracting	Competitively contract with manufacturers and/or distributors of wheelchairs by July 1, 2012.	0.5	(\$657)	(\$658)	\$0	(\$1,315)
Basic Health Plan Children	Restrict enrollment to persons who qualify for services under the Medicaid waiver for the BHP on July 1, 2011.	0.0	\$3,362	\$2,754	\$145	\$6,261
Partnership Access Line Funding	Effective July 1, 2011 funding is provided for PAL which is a telephone-based child mental health consultation system affiliated with Seattle Children's Hospital.	0.0	(\$570)	\$0	\$570	\$0
Adult Therapies	July 1, 2011, limit coverage for OT, PT and speech therapies to 12 visits per year for adults with injuries to brain, hips, knees or spine and 6 visits per year for persons with other injuries.	0.0	(\$4,144)	(\$4,052)	\$0	(\$8,196)
Adult Hearing	Eliminated coverage for hearing aids and devices on July 1, 2011.	0.0	(\$1,444)	(\$1,454)	\$0	(\$2,898)
Adult Vision	Eliminated coverage for eyeglasses while SB5352 allow purchases from optical providers at the discounted correctional industries production rate on July 1, 2011.	0.0	(\$3,123)	(\$3,038)	\$0	(\$6,161)
SSI Managed Care	Savings as a result of SSI clients moving into managed care or medical homes on July 1, 2012.	0.0	(\$7,679)	(\$8,524)	\$0	(\$16,203)
CHIPRA Bonus	Updated bonus for state's efforts to increase the number of children enrollment.	0.0	(\$80,041)	\$80,041	\$0	\$0
Interpreter Services	Implement a new system for delivery of interpreter services on January 1, 2012.	0.0	(\$2,758)	(\$3,406)	\$0	(\$6,164)
School Based Medical Services	Implement IGT program where the state will provide 40% and school districts 60% of state match to continue this program. Effective date: July 1, 2011	6.0	(\$11,299)	\$516	\$11,815	\$1,032
Medicare Part D Copayments	Eliminated co-payments for prescription drug purchases for dual eligibles on July 1, 2011.	(0.1)	(\$13,981)	\$0	(\$22)	(\$14,003)



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Podiatric Physician Reimbursement	Coverage is limited to medically necessary to treat acute conditions on July 1, 2011.	0.0	(\$2,005)	(\$1,953)	(\$30)	(\$3,988)
Children's Health Program	Non-citizen children in families above 200% of FPL will have higher premiums. Their families currently pay \$20 or \$30 per-children. Effective November 1, 2011, their premiums will be increased to the two-year average of the state share of the cost for the Children's Health Program.	(0.6)	(\$1,524)	(\$34)	\$0	(\$1,558)
Adult Dental	Only emergency dental care will be covered for medicaid recipients who are not pregnant, reside in nursing home or intermediate care facility, or long-term care under the HCBS waiver on July 1, 2011.	0.0	(\$28,631)	(\$28,908)	\$0	(\$57,539)
FQHC Payment Methodology	Implement a new APM methodology on July 1, 2011 which reduce rates by an average of 10.6%.	0.0	(\$42,035)	(\$44,286)	\$0	(\$86,321)
Healthy Option Rates	Assumed lower rates as a result of the Joint Procurement for July 1, 2012.	0.0	(27,022)	(\$30,405)	\$0	(\$57,427)
Reduced Maternity Support Program	Reduce benefits by 30% on July 1, 2011.	0.0	(\$12,048)	(\$11,908)	\$0	(\$23,956)
Drug Copays	Seek CMS's approve to implement co-pay to promote cost-effective use of prescription drugs where no co-pay for generics, \$15 co-pay for preferred brand name drugs, and 50% co-pay for non-preferred drugs. Effective date: July 1, 2012	0.0	(\$10,324)	(\$10,324)	\$0	(\$20,648)
Drug Utilization Management	Increase efforts in FY12 to promote more cost effective drug utilization for over-utilization, off-label use, excessive dosing, duplicative therapy, etc.	2.5	(\$2,611)	(\$2,081)	\$0	(\$4,692)
Durable Medical Equipment	Seek competitively contract for both nutritional and incontinence supplies by 1/1/12.	0.5	(\$2,908)	(\$2,915)	\$0	(\$5,823)
Medicaid Demonstration Waiver	Per SB5596, MPA to develop and obtain federal approval for a demonstration project that will allow the state greater flexibility in management of its Medicaid program through defining essential benefits, enforceable cost sharing, new payment mechanisms, stream line eligibility, etc.	1.8	\$351	\$351	\$0	\$702
Take Charge Family Planning	Implement SSB5912 to expand coverage to 250% FPL.	1.9	(\$3,689)	(\$161)	\$0	(\$3,850)
Health Care Consolidation	On July 1, 2011, the medical assistance program is transferred to HCA and designates HCA as the new Medicaid single state agency.	(1,156.6)	(\$4,397,314)	(\$5,565,693)	(\$496,868)	(\$10,459,875)